THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) The existing rural credit policy is so formulated to meet the credit needs of agriculture and allied activities. Under Service Area Approach introduced by Reserve Bank of India (RBI) from 1989, all villages in the country are now allocated to the branches of commercial banks and Regional Rural Banks (RRBs). All the service area branches of commercial banks and RRBs are now preparing village-wise annual credit plans which take into account the requirements of credit for all types of borrowers in the villages including small, medium and large farmers.

A number of steps have been taken with a view to increase flow of credit in rural areas. The important ones are :—

(i) Banks have been instructed that all applications upto credit limit of Rs. 25,000 are to be disposed off within a fortnight and those over Rs. 25,000 within 8-9 weeks.

(ii) To facilitate speedy disposal of applications, the application forms are made available in regional languages,

(iii) Interest on loans upto Rs. 25,000 is kept low at 12.0% per annum.

(iv) Term loans are provided at concessional rates.

(v) No collateral security is required to be provided for loans upto Rs. 15,000.

(vi) Appropriate sanctioning powers have been delegated to the rural branch managers so that majority of loan applications are sanctioned at branch level itself.

(vii) Coversion/reschedulement of loans. for agriculture and allied activities are allowed to borrowers on account of failure of crops/damage to units due to drought, flood and other natural calamities in order to ensure smooth flow of credit to beneficiaries.

(viii) With the recent permission to sanction non-taget groups upto 60% of fresh loans (w.e.f. 1 January, 1994), RRBs will be in a better position to cater to all types of agriculturists (i.e. small, medium and big farmers) in their area of operation.

Constitution of Central and Regional of Reserve Bank of India

4441. SHRI SOM PAL :
SHRI SARADA MOHANTY :

Will the Minister of FINANCE be pleased to state :

(a) whether the Central and Regional Boards of Reserve Bank of India have been reconstituted recently ;

(b) if so, what are the details thereof including the names of members appointed thereon ;

(c) what are the criteria for selecting members and interest groups thereon ;

(d) whether there are any members representing farmers and rural masses on these boards ;

(e) if so, what are the names thereof ;

(f) if not, whether Government would consider giving representation to these groups ; and

(g) if not, reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The Central and Local Boards of Reserve Bank of India have been reconstituted on 28th March, 1994.

(b)The names of Directors appointed on these boards are given in the Statement (*See below*).

(c) to (g) The Directors have been appointed in accordance with the procedure and criteria specified in the Reserve Bank of India Act, 1934. There is no specific provision in the statute for giving representation to farmers and the rural sector. However, the reconstituted Central and Local Boards of Reserve Bank of India are broad based with representatives drown from different sectors and professions including industry, economics, accounting, law, labour, etc.

Statement

CENTRAL BOARD OF RESERVE BANK OF INDIA

1. Sh. Ratan Naval Tata,
Chairman, Tata Sons Ltd.,
Bombay.
2. Sh. Krishan Lal Chugh,
Chairman, ITC Ltd.,
Culcutta.
3. Sh. Mumtaz Ahmed,
Chief Executive,
Namdang Tea Company (India) Ltd.,
Calcutta.
4. Dr. C. H. Hanumantha Rao,
Ex-Member, Planning Commission,
Hyderabad.
5. Dr. Bhai Mohan Singh,
Chairman Emeritus,
Ranbaxy Laboratories Ltd.,
New Delhi.
6. Dr. M. L. Shahare,
Ex-Chairman, UPSC,
New Delhi.
7. Dr. Amrita Patel,
Managing Director, National Dairy
Development Board, Anand.
8. Sh. Gopala Ramanujam,
President,
Indian National Trade Union Congress,
Madras.
9. Sh. Vipin Malik,
Chartered Accountant,
V. Malik and Associates,
New Delhi.
10. Sh. Sardara Singh Johl,
Former Chairman, Commission for Agri.
Costs & Prices, GOI, Ludhiana.
11. Sh. Jamshed Jiji Irani,
CMD, TISCO Ltd., Jamshedpur. —from Eastern Area Local Board.
12. Sh. Prithvi Nath Dhar,
Chairman, Institute of Economic Growth,
Delhi. —from Northern Area Local Board.
13. Sh. Erasu Ayyapu Reddy,
Advocate,
Hyderabad. —from Southern Area Local Board.
14. Sh. Yezdi Hirji Malegam,
Chartered Accountant,
Bombay. —from Western Area Local Board.

WESTERN AREA LOCAL BOARD

1. Sh. Yezdi Hirji Malegam,
Chartered Accountant
Bombay.
2. Dr. Bakul H. Dholakia,
Prof. of Industrial Economics,
IIM, Ahemedabad.
3. Sh. Pradip Pannalal Shah,
Managing Director, CRISIL,
Bombay.
4. Dr. Neelkanth A. Kalyani,
Chairman and Mg. Director, Bharat Forge Ltd.,
Pune.
5. Sh. Inder Chand Jain,
Chartered Accountant, Khandelwal Jain & Co.,
Bombay.

EASTERN AREA LOCAL BOARD

1. Sh. Jamshed Jiji Irani,
CMD, TISCO Ltd.,
Jamshedpur.
2. Sh. Tarun Chandra Dutta,
Chairman, W.B. Industrial Development
Corporation Ltd., Calcutta.
3. Dr. Subrata Ganguly,
Executive Vice-CMD, The Associated
Cement Companies Ltd., Bombay.
4. Dr. Subir Chowdhury,
Director, IIM,
Calcutta.

NORTHERN AREA LOCAL BOARD

1. Sh. Prithvi Nath Dhar,
Chairman, Institute of Economic Growth,
Delhi.
2. Smt. Shobhana Bhartia,
Executive Director, Hindustan Times,
New Delhi.
3. Sh. Brij Mohan Lall,
Industrialist, Hero Honda Group,
New Delhi.
4. Sh. D. H. Pai Panandikar,
Ex-Secretary General, FICCI,
New Delhi.

SOUTHERN AREA LOCAL BOARD

1. Sh. Erasu Ayyapu Reddy,
Advocate,
Hyderabad.
2. Sh. N. Shankar,
Vice Chairman and Mg. Director,
Chemical and Plastics India Ltd.,
Madras.
3. Sh. K. Ramunni Menon,
IAS (Retd.),
Trivandrum.
4. Sh. Devineni Seetharamaiah,
Chartered Accountant, Brahmayya & Co.,
Hyderabad.

Asian Develoment Bank

4442. SHRI SOM PAL :
SHRI SARADA MOHANTY:

Will the Minister of FINANCE be pleased to state:

(a) whether India had serious defferences with the developed countries represented on the Board of Asian Development Bank on the matter of certain conditionalities attached to the general capital increase proposal at the ADB board meeting in Manila recently;

(b) if so, what are the details of the conditionalities proposed, the countries proposing these and India's reaction thereon ; and

(c) which countries have supported India's stand on this issue and what has been the final outcome?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) India has always been fully supportive of the Asian Development Bank's financial proposals for the General Capital Increase. However, India was opposed to the linkage of General Capital Increase with policy prescriptions and operational directions on some issues. These, it was felt, should be viewed in the dynamic context of the developmental imperatives of the region separately. India tried for a consensus for delinking the General Capital Increase from the policy issues. However, the Board carried through the resolution through majority of votes and have transmitted the resolution to the Board of Governors seeking their votes by 22nd May, 1994. This is under the consideration of the Government. When the draft resolution was carried through